

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANTS:	Torch Energy Advisors Incorporated (herein ) "Torch") and Pocahontas Gas Partnership ) (herein "PGP") (Torch and PGP ) are sometimes herein collectively ) referred to as "Applicants" or "Claimants") ) )	DOCKET NO. VGOB 92-0128-0185-01
RELIEF SOUGHT:	Issuance of an Amended Supplemental ) Order Amending all Prior Orders Affecting ) SLW7 Drilling Unit to Provide: (1) for the ) Calculation of Those Funds Attributable ) To the Conflicting Claims, in the Aggregate, ) Of Hugh MacRae Land Trust (herein ) "Trust") and PGP Pursuant to the Terms of ) Trust's, Torch's and PGP's Agreements, ) (2) an Escrow Accounting, and ) (3) Disbursement to Torch and PGP of ) Funds on Deposit in the SLW7 Escrow ) Account Which are Attributable to Trust's ) and PGP's Conflicting Coalbed Methane ) Gas Claims in Tract 32, 34 and 35 of the ) SLW7 Drilling Unit )	

1. **Hearing Date and Place:** This matter came on for further an final hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on July 18, 2000 at the Southwest Virginia Higher Education Center on the campus of Virginia Highlands Community College, Room 240, Abingdon, Virginia.
2. **Appearances:** Jill Harrison of the firm Penn Stuart appeared on behalf of the Applicants; Mark A. Swartz of the firm Swartz & Stump appeared on behalf of PGP; and Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.
3. **Jurisdiction and Notice:** Pursuant to Va. Code § 45.1-361.1 *et seq.*, and in particular Va. Code §§ 45.1-361.21 and 45.1-361.22, the Board finds that it has jurisdiction over the establishment and maintenance of an escrow account for each of the coalbed methane gas drilling units established by the Board through its pooling orders, and that the Unit Operator is required to deposit, as applicable, those funds specified in Va. Code § 45.1-361.21.D., 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 into the applicable escrow account. Further, the Board finds that while it does not have jurisdiction to resolve conflicting claims to the ownership of the Coalbed Methane Gas produced by the Unit Operator from wells located on Subject Drilling Unit, and while it does not have jurisdiction to interpret voluntary agreements by and between the Gas claimants and/or the Unit Operators or to abridge or contravene the provisions of such agreements, that pursuant to Va. Code § 45.1-361.22.A.5, it does have jurisdiction and authority to disburse funds from the Escrow Account provided there has first been either: (a) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between the claimants or (b) an agreement among all claimants owning conflicting estates in the tract in question or any undivided interest therein.
4. **Prior Proceedings:**
  - 4.1. Drilling Unit SLW7 was created by Board order effective as of February 18, 1992 in Docket No. VGOB 92/01/21-0180 as amended by Board orders in VGOB Docket Nos. 93/06/22-

- 0385 and 95/04/18-0498 (herein "Subject Drilling Unit") in the Hurricane Magisterial District, Buchanan County, VA (herein "Subject Lands"). At the Board's hearing on February 18, 1992 for Docket No. VGOB 92/02/18-0185, in accordance with the provisions of Va. Code §§ 45.1-361.21 and 45.1-361.22, the Board granted the relief sought by PGP and executed an Order dated April 29, 1992 and filed with the Clerk of the Circuit Court of Buchanan County on May 1, 1992 in Deed Book 390 at Page 666 (herein "Pooling Order") pooling all interests in the Subject Drilling Unit for the production of gas produced from coalbeds and rock strata associated therewith below the Tiller seam (herein "Coalbed Methane Gas" or "Gas") from active gob areas from a longwall panel and its surrounding area in Consolidation Coal Company's Buchanan No. 1 Mine (herein "Subject Formations") all pursuant to: (a) the permit provisions contained in Section 45.1-361.27 *et seq.*, Code of Virginia, 1950 as amended; (b) the Oakwood Coalbed Gas Field Order No. OGCB 3-90 dated May 18, 1990; (c) the Board's Order No. VGOB 92/01/21-0180 dated as of February 18, 1992; (d) Section 480-05-22.1 *et seq.*, Gas and Oil Regulations; and (e) Section 480-05-22.2 *et seq.*, Virginia Gas and Oil Board Regulations, all as amended from time to time (herein "Pooling Order"). The Board named PGP as the Unit Operator of Subject Drilling Unit.
- 4.2. The Pooling Order was amended and supplemented by the Board's Supplemental Order Regarding Elections in VGOB Docket No. 9[2]-0218-0185 executed on July 11, 1996 and filed on July 18, 1996 in Deed Book 451, Page 172 (herein "Supplemental Order").
  - 4.3. Upon the application of Claimants, Hugh MacRae Land Trust ("Trust") and Garden Realty Corporation ("Garden") in VGOB Docket No. 97-0415-0576, on May 23, 1997 the Board entered its order directing the Unit Operator to file an escrow accounting for the SLW7 Drilling Unit with the Board, by order executed April 15, 1998 the Board ordered a further accounting for said unit, and by order executed February 17, 1999 the Board ordered the escrowed funds attributable to Tract 39 of the SLW7 Drilling Unit disbursed in accordance with the accounting attached to said order.
  - 4.4. The Pooling Order and the Supplemental Order were further amended by the Board's Amended Supplemental Order executed June 26, 1998 and filed July 14, 1998 in Deed Book 478 at Page 623.
  - 4.5. In VGOB Docket No. 92-0218-0185-02, Torch, Coal Mountain Mining Company Limited Liability Partnership L.L.P and Garden Realty Corporation applied to the Board for disbursement of funds attributable to Tracts 30, 41B and 41C of the SLW7 Drilling Unit, and by order executed August 17, 1999, the funds attributable to Tracts 30, 41B and 41C of Subject Drilling Unit were ordered disbursed in accordance with the accounting attached to said order.
  - 4.6. In VGOB Docket No. 92/02/18-0185-01, Torch and PGP applied to the Board for disbursement of funds attributable to Tracts 32, 34 and 35 of the SLW7 Drilling Unit; however, said funds have not been heretofore disbursed due to an appeal to the Circuit Court of Buchanan County (Case #7-99) of the Board's Order entered November 2, 1998. The appeal of the Board's November 2, 1998 order was dismissed without prejudice by court order entered May 2, 2000 thereby restoring to the Board jurisdiction over Torch's and PGP's petition for disbursement to them of escrowed funds attributable to Tracts 32, 34 and 35.
  - 4.7. As instructed by the Board through the Pooling Order, the Escrow Agent established the Escrow Account for Subject Drilling Unit (herein "Escrow Account"), and thereafter the Escrow Agent has periodically received from the Unit Operator for deposit into the Escrow Account proceeds which were designated by the Operator through its royalty statements and through its accounting as being attributable to various tracts within Subject Drilling Unit, including but not limited to Tracts 32, 34 and 35.
  - 4.8. Applicants' seek an accounting, determination of the funds on deposit in the Escrow Account for Tracts 32, 34 and 35 of the SLW7 Drilling Unit, and disbursement to Torch and PGP of all such escrowed funds attributable to said tracts. The applicants warranted and represented to the Board that:
    - 4.8.1. Trust is the sole owner of the coal estate underlying Tracts 32, 34 and 35 of the SLW7 Drilling Unit, however, by Assignment and Bill of Sale dated December 29, 1997 (herein "Assignment") Trust assigned to Torch its conflicting coalbed methane gas royalty interest in said tracts including all its interest in the funds

- on deposit in the Escrow Account which the Unit Operator attributes to Tracts 32, 34 and 35.;
- 4.8.2. PGP is the sole owner of the oil and gas estate underlying Tracts 32, 34 and 35 of the SLW7 Drilling Unit;
- 4.8.3. That together Trust and PGP claim to have and own, in the aggregate, the following Gas royalty interest in the SLW7 :

Tract#	Acres	Interest in Unit	Funds on Deposit as of 7/31/00
32	7.040	3.79750%	\$ 9,062.59
34	0.772	0.41643%	\$ 993.61
35	13.307	7.17803%	\$16,865.30

5. **Findings:**

Va. Code 45.1-361.22.5 provides that "*The Board shall order payment of principal and accrued interest, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (I) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between them or (ii) an agreement among all claimants owning conflicting estates in the tract in question or any undivided interest therein. The amount to be paid to the conflicting claimants shall be determined based on the percentage of ownership interest of the conflicting claimants as shown in the operator's supplemental filing made part of the pooling order that established the escrow account, the operator's records of deposits attributable to those tracts for which funds are being requested, and the records of the escrow account for the coalbed methane gas drilling unit. The interests of any cotenants who have not entered into an agreement shall remain in the escrow account.*" The Board finds that:

- 5.1. The Board lacks the statutory authority to supercede, impair, abridge or affect any contractual rights or other obligations existing between the Operator and the Applicants. The Operator and the Applicants have acknowledged such limitation and have, therefore, agreed that no such party will argue or contend in other pending or future proceedings or actions inter se (including without limitation Levisa Coal Company, et al. v. Consolidation Coal Company, et al., Civil Action No. 97-0117-A pending in the United States District Court at Abingdon) that the findings and/or order of the Board herein bar their assertion of any claims or defenses, including payment, or otherwise constitute a waiver or an estoppel in such other proceedings or actions.
- 5.2. Notwithstanding the fact that Trust/Torch is challenging PGP's royalty calculations and/or payments under the terms of its voluntary lease with PGP, Trust/Torch have entered into the Split Agreement with PGP whereby they have agreed to split on a 50/50 basis royalties attributable to their conflicting claims to coalbed methane gas, including but not limited to their conflicting claims to ownership of coalbed methane gas underlying Tracts 32, 34 and 35 of Subject Drilling Unit and their conflicting claims to escrowed funds attributable to said tracts. The Applicants' seek disbursement to them, in accordance with the terms of the Split Agreement, those funds on deposit in the Escrow Account which are attributable to Tracts 32, 34 and 35.
- 5.3. According to the Pooling Order and the accountings filed in this matter: (a) the funds deposited by PGP into the Escrow Account for Subject Drilling Unit consists of payments calculated by PGP to be due those persons identified in Exhibit E hereto, (b) PGP has identified the Applicants as the sole Gas owners/claimants of coalbed methane gas within Tract 32, 34 and 35 of Subject Drilling Unit, and thus as the sole claimants to the funds on deposit in the Escrow Account attributable to said tracts, (c) PGP has represented to the Board through the attached Accounting that as of July 31, 2000:

- 5.3.1. \$9,062.59 of the funds on deposit in the Escrow Account are attributable to Tract 32,
- 5.3.2. \$993.61 of the funds on deposit in the Escrow Account are attributable to Tract 34, and
- 5.3.3. \$16,865.30 of the funds on deposit in the Escrow Account are attributable to Tract 35.

6. **Relief Granted:**

For the reasons set forth in Paragraph 5 above, and based upon the accounting attached hereto, the Escrow Agent is ordered to disburse via wire transfer in accordance with attached instructions provided by Applicants' counsel: (1) the sum of \$13,460.75, together with any interest which accrues thereon from the date of the attached accounting through the date of disbursement, to Torch and (2) the sum of \$13,460.75, together with any interest accruing thereon from the date of the attached accounting through the date of disbursement, to PGP. Further, the Pooling Order, as amended and supplemented, is hereby modified to delete the requirement that funds attributable to Applicants' conflicting coalbed methane gas ownership interests in Tracts 32, 34 and 35 be deposited by PGP into the Escrow Account. To the extent not specifically granted herein, any other or further relief requested by the Applicants in this matter is hereby denied.

7. **Conclusion:**

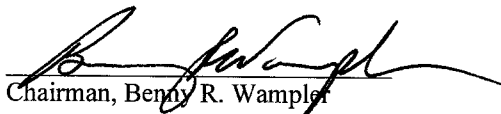
Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and IT IS SO ORDERED.

8. **Appeals:**

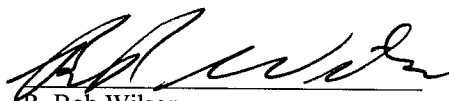
Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo. Such appeals must be taken in the manner prescribed in the Administrative Process Act, Va. Code §§ 9-6.14:1 *et seq.*

9. **Effective Date:** This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 22<sup>nd</sup> day of September, 2000, by a majority of the Virginia Gas and Oil Board.

  
Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 26<sup>th</sup> DAY OF September, 2000, by an Order of this Board.

  
R. Bob Wilson  
Principal Executive to the Staff  
Virginia Gas and Oil Board

Acknowledged on this 22nd day of September, 2000, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

My Commission expires: July 31, 2002

Acknowledged on this 20 day of Sep, 2000, personally before me a notary public in and for the Commonwealth of Virginia, appeared R. Bob Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

My commission expires: September 30, 2001

WIRE TRANSFER INSTRUCTIONS FOR  
POCAHONTAS GAS PARTNERSHIP

The wiring instructions for funds to be paid on behalf of Pocahontas Gas Partnership are:

Bank Name: Chase Manhattan Bank New York, NY

Bank ABA No: 021000021

Account Name: Conoco, Inc. for the account of Pocahontas Gas Partnership

Account No: 00009121

Memo Account Number: 4130-POCAHNT-590-0299

WIRE TRANSFER INSTRUCTIONS FOR  
TORCH ENERGY ADVISORS

The wiring instructions for funds to be paid on behalf of Torch Energy Advisors Incorporated are:

Bank Name:	Chase Bank of Texas
Bank ABA No:	113000609
Account Name:	Torch Operating Company
Account No:	00103291234

List of Conflicting Owners/Claimants that require escrow

	Net Acres In Unit	Interest In Unit
<b><u>Tract #30 - 36.788 Acre Tract</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Hugh Macrae Land Trust Tr 14 P. O. Box 29 Tazewell, VA 24651	36.79 acres	19.84411%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	36.79 acres	19.84411%
<b><u>Tract #31 - 0.677 Acre Tract</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	0.68 acres	0.36519%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Ernest Keen Heirs, Devisees, Successors or Assigns	0.68 acres	0.36519%
(a) Paul Keen Rt. 1 Box 52 Raven, VA 24639	0.11 acres 1/6 of 0.677 acres	0.06086%
(b) Ralph Keen Rt. 1 Box 52 Raven, VA 24639	0.11 acres 1/6 of 0.677 acres	0.06086%
(c) Arnold Keen P. O. Box 386 Oakwood, VA 24631	0.11 acres 1/6 of 0.677 acres	0.06086%
(d) Ruby Hale Cedar Bluff, VA 24609	0.11 acres 1/6 of 0.677 acres	0.06086%
(e) Anna R. Lambert Rt. 1 Box 52 Raven, VA 24639	0.11 acres 1/6 of 0.677 acres	0.06086%
(f) Ann McGowan Rt. 1 Box 52 Raven, VA 24639	0.11 acres 1/6 of 0.677 acres	0.06086%
<b><u>Tract #32 - 7.040 Acre Tract</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651	7.04 acres	3.79750%



List of Conflicting Owners/Claimants that require escrow

	Net Acres In Unit	Interest in Unit
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	7.04 acres	3.79750%
<b><u>Tract #33 - 15.868 Acre Tract</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651	15.87 acres	8.55948%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Thurman Wade P. O. Box 225 Oawood, VA 24631	15.87 acres	8.55948%
<b><u>Tract #34 - 0.772 Acre Tract</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651	0.77 acres	0.41643%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	0.77 acres	0.41643%
<b><u>Tract #35 - 13.307 Acre Tract</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Hugh Macrae Land Trust Tr 5 P. O. Box 29 Tazewell, VA 24651	13.31 acres	7.17803%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Pocahontas Gas Partnership P. O. Box 947 Bluefield, VA 24605	13.31 acres	7.17803%
<b><u>Tract #36 - 0.4475 Acre Tract</u></b>		
<b><u>COAL FEE OWNERSHIP</u></b>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	0.45 acres	0.24139%
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Earl Marshall Heirs, Devisees Successors or Assigns	0.45 acres	0.24139%

List of Conflicting Owners/Claimants that require escrow

	Net Acres In Unit	Interest In Unit
(a) Charles L. Ritchie Rt. 1, Box 258-A St. Paul, VA 24233	0.28 acres 5/8 of 0.4475 acres	0.15087%
(b) Lowery L. Jackson 5001 Parker Avenue West Palm Beach, FL 33405	0.06 acres 1/8 of 0.4475 acres	0.03017%
(c) Corbit Jackson Rt. 1, Box 80 Raven, VA 24639	0.06 acres 1/8 of 0.4475 acres	0.03017%
(d) Herbert L. Jackson P. O. Box 426 Grundy, VA 24614	0.06 acres 1/8 of 0.4475 acres	0.03017%

Tract #37 - 44.907 Acre Tract

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 2 P. O. Box 29 Tazewell, VA 24651	44.91 acres	24.22364%
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OIL & GAS FEE OWNERSHIP

(1) Ernest Kaen Hiers, Devisees Successors or Assigns	47.91 acres	25.84190%
(a) Paul Kaen Rt. 1, Box 52 Raven, VA 24639	7.98 acres 1/6 of 47.907 acres	4.30698%
(b) Ralph Kaen Rt. 1, Box 52 Raven, VA 24639	7.98 acres 1/6 of 47.907 acres	4.30698%
(c) Arnold Kaen P. O. Box 386 Oakwood, VA 24631	7.98 acres 1/6 of 47.907 acres	4.30698%
(d) Ruby Hale Cedar Bluff, VA 24609	7.98 acres 1/6 of 47.907 acres	4.30698%
(e) Anna R. Lambert Rt. 1, Box 52 Raven, VA 24639	7.98 acres 1/6 of 47.907 acres	4.30698%
(f) Ann McGowan Rt. 1, Box 52 Raven, VA 24639	7.98 acres 1/6 of 47.907 acres	4.30698%

Tract #38 - 0.454 Acre Tract

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	0.45 acres	0.24490%
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List of Conflicting Owners/Claimants that require escrow

	Net Acres In Unit	Interest In Unit
<b><u>OIL &amp; GAS FEE OWNERSHIP</u></b>		
(1) Ernest Keen Heirs, Devisees, Successors or Assigns	0.45 acres	0.24490%
(a) Paul Keen Rt. 1, Box 52 Raven, VA 24639	0.08 acres 1/6 of .454 acres	0.04082%
(b) Ralph Keen Rt. 1, Box 52 Raven, VA 24639	0.08 acres 1/6 of .454 acres	0.04082%
(c) Arnold Keen P. O. Box 386 Oakwood, VA 24631	0.08 acres 1/6 of .454 acres	0.04082%
(d) Ruby Hale Cedar Bluff, VA 24609	0.08 acres 1/6 of .454 acres	0.04082%
(e) Anna R. Lambert Rt. 1, Box 52 Raven, VA 24639	0.08 acres 1/6 of .454 acres	0.04082%
(f) Ann McGowan Rt. 1, Box 52 Raven, VA 24639	0.08 acres 1/6 of .454 acres	0.04082%

**Tract #39 - 7.057 Acre Tract**

**COAL FEE OWNERSHIP**

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	7.06 acres	3.80667%
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**OIL & GAS FEE OWNERSHIP**

(1) Garden Realty Corporation c/o Betty Boyd King 2370 Lyndhurst Avenue Winston-Salem NC 27103	7.06 acres	3.80667%
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**Tract #40 - 11.923 Acre Tract**

**COAL FEE OWNERSHIP**

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	11.92 acres	6.43148%
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**OIL & GAS FEE OWNERSHIP**

(1) W. J. Sisk Heirs, Devisees Successors or Assigns	11.92 acres	6.43148%
(a) Dale Hodge Chambers Rt. 1, Box 82 Raven, VA 24639	3.97 acres 7/21 of 11.923 acres	2.14383%

List of Conflicting Owners/Claimants that require escrow

	Net Acres In Unit	Interest In Unit
(b) Larry Douglas Chambers Rt. 1, Box 81 Raven, VA 24639	6.25 acres 11/21 of 11.923 acres	3.36887%
(c) Jimmy Donald Sisk 3153 Creekside Drive Norton, OH 44203	0.43 acres 1/28 of 11.923 acres	0.22970%
(d) Walter Jackson "Bud" Sisk 229 Hesque Street Kingsport, TN 37665	0.43 acres 1/28 of 11.923 acres	0.22970%
(e) Nancy Sisk c/o Walter Jackson Sisk 229 Hesque Street Kingsport, TN 37665	0.43 acres 1/28 of 11.923 acres	0.22970%
(f) Maudie Ellen Sanders 600 North 583 Street Kokomo, IN 46901	0.43 acres 1/28 of 11.923 acres	0.22970%

Tract #40A - 1.37 Acre Tract

COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	1.37 acres	0.73900%
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OIL & GAS FEE OWNERSHIP

(1) W. J. Sisk Hirs. Devsees. Successors or Assigns	1.37 acres	0.73900%
(a) Dale Hodge Chambers Rt. 1, Box 82 Raven, VA 24639	0.46 acres 7/21 of 1.37 acres	0.24633%
(b) Larry Douglas Chambers Rt. 1, Box 81 Raven, VA 24639	0.72 acres 11/21 of 1.37 acres	0.38710%
(c) Jimmy Donald Sisk 3153 Creekside Drive Norton, OH 44203	0.05 acres 1/28 of 1.37 acres	0.02639%
(d) Walter Jackson "Bud" Sisk 229 Hesque Street Kingsport, TN 37665	0.05 acres 1/28 of 1.37 acres	0.02639%
(e) Nancy Sisk c/o Walter Jackson Sisk 229 Hesque Street Kingsport, TN 37665	0.05 acres 1/28 of 1.37 acres	0.02639%
(f) Maudie Ellen Sanders 600 North 583 Street Kokomo, IN 46901	0.05 acres 1/28 of 1.37 acres	0.02639%

UNIT SLW7  
Docket # VGOB-92-0218-0185-01  
Exhibit E

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List of Conflicting Owners/Claimants that require escrow

	Net Acres In Unit	Interest In Unit
<u>Tract #40B - 1.662 Acre Tract</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Hugh Macrae Land Trust Tr 17 P. O. Box 29 Tazewell, VA 24651	1.66 acres	0.89651%
<u>OIL &amp; GAS FEE OWNERSHIP</u>		
(1) Corbit Jackson Rt. 1, Box 80 Raven, VA 24639	1.66 acres	0.89651%
<u>Tract #41B - 0.76 Acre Tract</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	0.76 acres	0.40996%
<u>OIL &amp; GAS FEE OWNERSHIP</u>		
(1) Garden Realty Corporation c/o Betty Boyd King 2370 Lyndhurst Avenue Winston-Salem NC 27103	0.76 acres	0.40996%
<u>Tract #41C - 0.16 Acre Tract</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Coal Mountain Mining Company P. O. Box 675 Tazewell, VA 24651	0.16 acres	0.08631%
<u>OIL &amp; GAS FEE OWNERSHIP</u>		
(1) Garden Realty Corporation c/o Betty Boyd King 2370 Lyndhurst Avenue Winston-Salem NC 27103	0.16 acres	0.08631%